East Coast M&D Workshop
27-29 Oct 04

Today we are going to work thru a Draft Model RE Presentation on: "RE M&D*: Value-Added to CW & Mil Missions"

Why? Every District is losing OMA/O&M funding, losing RE expertise and have customers who don't understand RE.

What can we do? M&D CoP can focus on its Circle of Influence (not Circle of Concern) and give briefings on the Value-Added we bring to the programs…..

***Can be expanded to all RE if circle expands**

Savannah District
Real Estate
US Army Corps of Engineers

"What We Can do to Stretch Our Re$ource$!"

Or

RE Management & Disposal Capabilities Supporting Corps Missions

Presentation Outline

1. **M&D defined/capabilities**
2. **Define "value-added"**
3. **List currently authorized initiatives**

3a-g. **Show how these initiatives help your District or Installation**

4. **Share what additional initiatives we are pursuing.**
5. **Q&As**

1a. What is M&D anyway?

- **M&D is RE's acronym for management of title, granting use, and disposal of Army-controlled real property (civil and military).**
- **Real Property includes everything connected to U.S. rights in the land and those rights we grant to others**

  (i.e. ownership of right, title or interests in: fee land, easement, lease, license, consent, or permit; in any buildings, structures or improvements; and in standing timber/crops or embedded sand and gravel).

1b. What does M&D do for you?

- **Maintain Real Estate expertise/POC**
- **Asset Management**
- **Encroachment and Trespass Resolution**
- **Public Land Withdrawal Reviews**
- **Manage Title Records and Resolve Disputes**
- **Resolve Damage Claims from Outgrants**
- **Negotiate, Issue, Administer and Manage All Outgrants (lease, easement, license, permit, etc.)**
- **Dispose of Real Property**

1b. Add Slide on district data

This could include acres acquired and outgranted, annualized rent, special legis disposals, any other(Sample for SAS CW)

- **_____ outgrants (____ leases, ____ licenses, ____ easements, ____ permits), generating $_____ and $ _____ for offsets - - 75% ____ to State**
- **_____ consents to easements**
- **Disposed of ____ acres in FY__ for $ _____**
- **Ag/Grazing Revenues $_____**
- **Disposed of _____ timber ($ revenue)**
- **Disposed of _____ buildings**
- **Released _____ easements**
- **Resolved _____ encroachments w/ _____ outstanding**
- **Mineral outgrants (oil/gas, coal)**
- **Real Property Accountability ($_____/# ____ facilities)**
- **Annexation/Legislative Jurisdiction issues**

Add other M&D data/efforts (ideas at Workshop)

- **24/7 Service etc**
- **# of acres owned = % outgranted (pie chart)**
- **Visitation Data on Outgranted Areas**
- **Types of facilities/# of commercial/public park leases etc with visitation data**
- **Cost avoidance estimate on outgranted parks**
- **$ collected vs $ retained at project**
- **Major disposal actions**
- **% of RE budget vs District (generally 2% of O&M)**
- **Real Property Accountability (CFO efforts)**
- **Utility Privatization &/or BRAC initiatives**
- **Unusual programs administered**
- **Creative tools to prevent park closures**
- **Add pictures to illustrate variety**

2. What do we mean by "value-added?"

Anything RE M&D can do to benefit the CW Program (short or long run) by adding/retaining revenues, avoiding costs, support natural resource program, saving time or streamlining processes.

Benefits can be tangible... like the value of cost avoidance or ways to increase size of the O&M funding pie without penalty to appropriations.

Example:
Cumulative
O&M
SASRE-M
Value-Added:
$_____
(idea to quantify: Avg cost of Corps site)

3. WHAT ARE RE's CURRENT & FUTURE M&D INITIATIVES?

a. **Ways to supplement (without interfering with) Civil/Mil Mission**
b. **Cost Avoidance/Savings of $ and Time**
c. **Streamlined Processes & Delegations**
d. **Benefits to States and Local Communities**
e. **Developmental Assignments &**

3a. What revenues do you earn & retain for District?

Current Authorities:

1. **New Adm Fee Policy (Sep 03):**
   - **Retain 10% embedded mgmt fee from FMV**

     (SAS collected $_____ for CW in FY04)
   - **Retain 100% of adm expenses when "but for the transaction US would not have the expense"**

     (SAS FY04 $_____ for CW in FY04)
2. **Charge no less than appraised FMV unless direct benefit to project (SAS FY04 $_____)**
3. **Mitigation – required to make U.S. whole if damaged**
4. **100% CW Timber Sales returned to**

3a. Direct Economic Benefits Kept in the District (Fees/Rents/Services)

- **Insert District's appropriate REAF/ COA/REEF collections/rents/in-kind $ (see sample)**

Sample:

SAS CW	Adm Fees	10% FMV	In-Kind
FY02	$100,610	- $??	
FY03	$190,448	-	
FY04	$164,953	$ 13,444*	

*6 mo (3/17 – 9/30/04)

3b. Cost Avoidance/Savings

- **Can Lease to Others if Corps Parks close**
- **Enhanced Use Leasing**
- **RCI**
- **Fish & Wildlife Management**
- **Recreation Partnerships???**
- **Cooperative Agreements supported by Outgrant**
- **CW- Can Keep 100% of Consideration if In-Kind**

  (Recommend 90% in-kind and 10% embedded mgmt fee)

  - **Leases under 10 USC 2667;**
  - **Easements, licenses, permits**

    (SAS FY04 est $____)
  - **Legislative proposal for 16 USC 460d not passed**

3c. Streamlined Processes & Delegations

Processes:

E-mail transmittals, Shared e-filing systems, Action Item Tracking Systems, REMIS/RECIS data bases, GIS (add specific district streamlining efforts)

Delegations:

- Delegate RPA to sub-hand receipt holder @ project
- Outgrants delegated to Districts RE Chiefs or Chiefs for M&D functions
  - Licenses/Permits/Consents to qualified individuals at Projects/Installations
  - Fwd to HQ if model outgrant format deviation
- Delegations Save Processing time/$
  - Land disposals <$50K to Div RE Ch with authority to redelegate, if appropriate
  - Other than Land disposals – no $ limit
  - Fwd to HQ if model deed format deviation
  - Relocation Contract disposal deeds
  - Condemnation (for local sponsor) model deeds

3d. Benefits to States and Local Communities

- PILT – Payment In Lieu of Taxes
  (FY 04 SAS CW $____)
- 75% of CW lease receipts
  (FY 04 SAS CW $_____)
- 40% of net revenue from Military timber & bldg sales (FY04 SAS MIL $_____)
- Tax and Economy benefits from Concession leases & adjacent businesses
- Tourism opportunities
- Economic multiplier effect (ag lease 7:1)
- Support for Natural/National Emergencies (FEMA)

3e. Developmental Assignments & Training Opportunities

- Consider Cross-functional Development Assignments at Dist/Div/USACE HQ
- M&D 101 – Beginners & requirement for license/permit/ consent delegation to Projects/Installations
- M&D 201 – Journeyman Realty Specialists
- Development from Topic-Focused Annual Workshops (i.e. East or West Coast M&D Workshops and Marina Mgmt 101)
- Joint RE/Ops or IMA Conferences
- Joint RE/Ops or IMA PDTs

BENEFITS: Builds relationships, Understand Processes, Add to resume for potential advancement, FUN

3f. Maintain Technical Expertise

- Succession Planning – Dist/Regional/Natl
- RE Communities of Practice (CoP)
  - 6 SubCoPs
    - Civil Management
    - Military Management
    - Disposal
    - Enhanced Use Leasing
    - Forestry
    - Real Property
  - Bi-monthly Conference calls
  - E-mail sharing of questions/answers
  - RE Website Pages w/SOPs, regs, policies

3g. Sharing Lessons Learned

- All lessons learned will be posted on RE Webpage by SubCoP
- Sharing occurs during ad hoc email questions/answers amongst SubCoP members
- ???

4. What additional initiatives are we pursuing?

Possible Future Authorities:

- **75% CW lease receipts law - Amendment to keep remaining 15% (SAS est $____)**
- **Pursue amend 10 USC 2667/8/9 for CW to keep 100% consideration similar to military (except for leases) (SAS est $_____)**
- **Corps CW Land Use Evaluation Policy – goal is common criteria for all districts to use in evaluation requests for use of CW land/water areas – expect final in FY05**
- **Suggest something else for customer focus – like what is the District doing -**

5. Q&As

- **What do we do well and what could be improved?**
- **How is our responsiveness?**

  (i.e. Time-wise, Budget & Accuracy?)
- **Any ideas on how to help us help you?**
- **Would you like regular meetings to keep communication flowing?**

  - Thank you